



CBEYOND COMMUNICATIONS

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November 21, 2002

Chairman Michael K. Powell
Federal Communications Commission
445 12th Street, S.W.
Washington, D.C. 20554

Commissioner Michael J. Copps
Federal Communications Commission
445 12th Street, S.W.
Washington, D.C. 20554

Commissioner Kathleen Q. Abernathy
Federal Communications Commission
445 12th Street, S.W.
Washington, D.C. 20554

Commissioner Kevin J. Martin
Federal Communications Commission
445 12th Street, S.W.
Washington, D.C. 20554

Commissioner Jonathan Adelstein
Federal Communications Commission
445 12th Street, S.W.
Washington, D.C. 20554

Re: Ex Parte Communication in CC Docket Nos. 01-338, 96-98, 98-147, 01-318, 01-321, 02-112

Dear Chairman Powell and Commissioners:

As you are aware, many competitive local exchange provider companies also qualify as a small business under the Small Business Administration rules. Cbeyond Communications is such a company. As the CEO of a small business that also provides telecommunications services to small businesses, I wanted to articulate the potential impact of the evaluation and ultimate outcome of the proceedings referenced above.

Cbeyond Communications is a facilities-based telecommunications provider, founded in November of 1999 and headquartered in Atlanta, Georgia. Cbeyond is currently operational in three markets – Atlanta, Dallas and Denver. As a small business, Cbeyond currently employs 360 people across our operating territory.

Cbeyond Communications provides an integrated package of local, long distance voice and broadband services to small business customers with as few as five local lines. These customers typically have between 10 and 100 employees and represent small entrepreneurial service based companies. Companies that in any economy, and particularly this economy need the value proposition that Cbeyond's product suite affords them. Cbeyond's goal at the company's inception was to bring the small business market the big business communications tools. Cbeyond's base package of services provides local and long distance voice services as well as dedicated internet access for the same price a customer typically pays for their voice services alone prior to selecting Cbeyond as their service provider. Cbeyond is serving a segment of the market that to date has typically had no choice in its local telecommunications provider and certainly has not been availed of a single source provider for all of their telecommunications needs. A chart depicting the Cbeyond's value proposition is attached for your review.

Cbeyond is able to cost effectively provide its customers with these services for two reasons. First, Cbeyond has invested and innovated in order to develop a next generation network architecture to permit us to provide service in the efficient method possible. Second, our business plan is predicated on our ability to interconnect and have access to unbundled high capacity (e.g., DS1) local loops and other unbundled network elements as required by Section 251 of the Telecommunications Act of 1996. Continued access to the loops at cost based rates is critical for our business plan. Thus, the outcome of the FCC's review what elements will continued to be required will determine whether small business customers in the markets in which we operate will continue to have access to "big business" tools at a price they can afford.

Respectfully Submitted,

Julia O. Strow
Vice President
Government and Industry Relations

